



Some Terms You Should Know

kynect Terms	Definition
Exemption	An approved reason why some people do not have to have health insurance or pay the penalty for not having it.
Insurance Agent	A person or business that can give you advice on insurance coverage and register you in a health plan. Some agents may only be able to sell plans from specific health insurance companies.
kynector	A person who is trained and certified by kynect to answer questions and help people apply for health insurance through kynect. They are located in all counties across the state.
Life Event	A change in your life that could qualify you for a Special Enrollment period. Life events include getting married, having a baby, adopting a child or placement for adoption, release from jail, gaining citizenship, or losing health coverage.
Metal Level	All health plans sold through kynect are grouped into one of four metal levels (Bronze, Silver, Gold and Platinum). As the metal level increases from Bronze to Platinum, so does the amount of medical expenses (coinsurance) that a plan will cover. A Bronze plan usually has a lower premium and a higher out-of-pocket cost. A Platinum plan usually has a higher premium and a lower out-of-pocket cost.



Minimum Essential Coverage (MEC)

The type of health coverage an individual needs to have to meet the individual responsibility requirement under the Affordable Care Act. This includes policies purchased through kynect, job-base coverage, Medicaid, Medicare, KCHIP, TRICARE and certain other coverage.

Open Enrollment Period

The annual period during which individuals who qualify can enroll in a health insurance plan through kynect.

Payment Assistance

A tax credit that lowers the cost of your health insurance. It can lower what you pay every month or be a yearly savings on your taxes. It is also called APTC, or Advanced Premium Tax Credit.

Special Discounts

Cost Sharing Reduction or CSR that lowers your out-of-pocket costs on visits to a doctors and other providers, copayments and deductibles.

Insurance Payment Terms	Definition
Copayment	An amount you may be required to pay as your share of the cost for a medical service or supply, like a doctor's visit, hospital outpatient visit or prescription drug. A copayment is usually a set amount.
Coinsurance	An amount you may be required to pay as your share of the cost for services after you pay any deductibles. Coinsurance is usually a percentage of the cost of the service. For example, you generally pay 20% of costs and your insurance company generally pays 80% of costs with a Gold plan.



Deductible	The amount you must pay for health care or prescriptions before your plan begins to pay. Some insurance plans have separate deductibles for health care and prescriptions. There is usually a separate deductible for each member of the family, as well as the entire family.
Individual Contribution	The portion of the individual premium that you pay if you have payment assistance.
Individual Premium	The amount to be paid for health insurance coverage. The portion of the premium that you pay depends on the amount of assistance you receive through kynect. Premium bills are sent out in advance. The bill must be paid each month even if you do not use any services, just like auto insurance.
Out-of-Pocket Costs	Costs you pay for medical care that are not reimbursed by insurance. Out-of-pocket costs include deductibles, coinsurance, copayments and any other expense that is not covered by your plan.
Out-of-Pocket Maximum/Limit	The most you will generally pay during a policy period (usually one year) before your health insurance or plan starts to pay 100% of the cost services. This includes deductibles, co-insurance, co-payments and similar charges.

Insurance Policy Terms	Definition
Benefits	The healthcare items or services covered under a health insurance plan
Claims	A request for payment that you or your health care provider submits to your insurance company when you get items (medicine) or services (doctor visit) you think are covered



Effective Date	The date that your health insurance comes into effect (starts)
Effectuation	The process of your insurance company starting your coverage after you have paid your first premium
Excluded Services	Health care services that your health insurance plan does not pay for, such as cosmetic surgery.
Explanation of Benefits (EOB form)	A statement sent by a health insurance company explaining what the company paid for and what you must pay for medical treatments and services. This is not a bill.
Summary of Benefits and Coverage (SBC)	A summary of a health plan's benefits and coverage that allows you to compare health plans when shopping for coverage.
Termination Date	The actual date your health coverage ends.

Insurance Medical Terms	Definition
Generic Medication	A prescription drug that has the same active ingredient or formula as a brand-name drug, but usually costs less.
In-Network Providers	The facilities, providers and suppliers your health plan, such as a doctor or hospital, has contracted with to provide healthcare services.
Out-of-Network Providers	Providers who do not have a contract with your health plan to provide services to you. You will pay more to use them.



Preventative Services

Routine health care that includes screenings, checkups and patient counseling to prevent illnesses, disease or other health problems. Many of these services are free under the Affordable Care Act.

Primary Care Provider (PCP)

Doctor, nurse practitioner or physician assistant who provides, coordinates or helps individuals access most healthcare services.

Specialist

A provider who focuses on a specific area of medicine to diagnose, manage, prevent or treat certain types of symptoms and conditions. The copayment is usually more to see a specialist.

Types of Insurance	Description
Catastrophic Plan	This type of plan has lower monthly premiums and mainly protects you from very high medical costs. A catastrophic plan generally requires you to pay all of your medical costs up to a certain amount. You must be under 30 to buy a catastrophic plan through kynect.
Exclusive Provider Organization (EPO)	Exclusive Provider Organization is a type of managed care plan where services are covered only if you use doctors, specialists and hospitals in the plan's network except in an emergency.
Health Maintenance Organization (HMO)	Health Maintenance Organization is a type of insurance plan that usually limits coverage to care from providers who work for or contract with the HMO. It generally will not cover out-of-network care unless it is an emergency.



Health Savings Account (HSA)

A medical savings account available to taxpayers who are enrolled in a High Deductible Health Plan. The funds you contribute to the HSA are not subject to federal income tax at the time you deposit them. Funds must be used to pay for qualified medical expenses.

Kentucky Children's Health Insurance Program (KCHIP)

The Kentucky Children's Health Insurance Program is free or low-cost health insurance for children younger than 19.

Managed Care Organization (MCO)

Managed Care Organization is the system of providers that provide health care services through Medicaid. Each MCO is provided by an insurance company.

Medicaid

A health insurance program for low-income families and children, pregnant women, the elderly, people with disabilities and others. Kentucky has expanded its Medicaid program so that more people qualify and at higher incomes.

Preferred Provider Organization (PPO)

Preferred Provider Organization is a type of insurance plan where you pay less if you use providers in the plan's network. You can use doctors, hospitals and other providers outside of the network without a referral for an additional cost.

Point of Service (POS)

Point of Service is a type of insurance plan where you pay less if you use doctors, hospitals and other providers that belong to the plan's network. POS plans require you to get a referral from your primary care provider (PCP) in order to see a specialist.



For more information, please visit us at kynect.ky.gov or call 1-855-4kynect